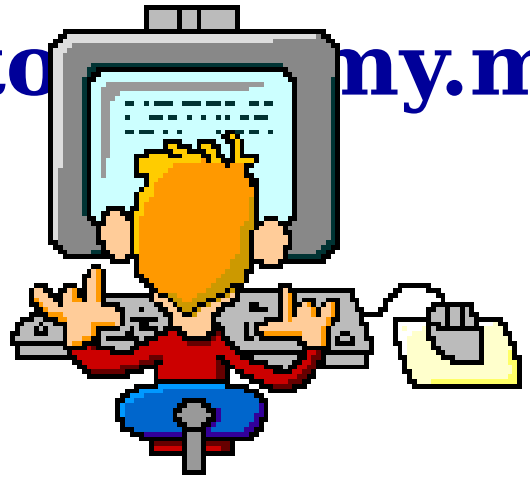
SMALL AND DISADVANTAGED BUSINESS UTILIZATION (SADBU) OFFICE

Visit Our SADBU Office Web Site at:

http:www.redsto[illegible]my.mil/sadbu



OVERVIEW

* **Who We Are**
* **What We Do**
* **Small Business Laws & Regulations**
* **Small Business Programs / Statistics**
* **OMNIBUS 2000**

WHO WE ARE

Sparkman Center, Bldg 5303, Rm 3135

- **Small Business Advocate**

Mr. Mitford (Mit) H. Merritt Jr.

(256) 876-5441

(256) 842-0085 FAX

Secretary – Ms. Bernadette Gray

- **Small Business Specialist**

Ms. Mary Birdsong **876-0921**

Mr. Todd Couch	**876-3567**
Mr. Lee Ford	**876-5318**
Mr. Robert Schrader	**842-6239**
Mr. David Seitz	**876-2376**
Ms. Judith Stewart	**842-0084**

WHAT WE DO

(ROLE OF SMALL BUSINESS OFFICE)

- **Serves As Principal Advisor To The Commander And Team Redstone Regarding Small Business Issues.**
- **Assists All Businesses On Government Contracting Matters, Including Changes To The Procurement System.**
- **Advises And Assists Contracting, Technical And Program Managers To Increase Use Of Small Business, SDB, SDVOSB, WOSB and HBCU/MI**

WHAT WE DO

ROLE OF SMALL BUSINESS OFFICE (Cont'd)

- **Reviews All Procurement Packages In Excess Of $10K Including Those Restricted For Exclusive Small Business Participation.**
- **Monitors Small Business Performance (Targets).**
- **Reports Small Business Program Awards To Higher Headquarters.**

WHAT WE DO

ROLE OF SMALL BUSINESS OFFICE (Cont'd)

- **Reviews Subcontracting Plans, Acquisition Plans, Etc.**
- **Serves As An Advocate For Small Business Firms.**
- **Maintains An Outreach Program To Locate And Develop Small Business Firms.**

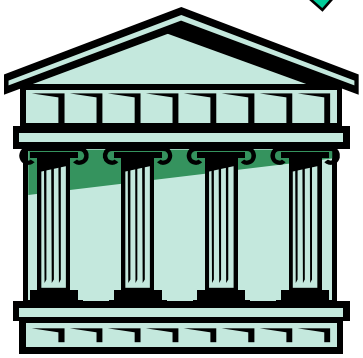
WHAT WE DO

ROLE OF SMALL BUSINESS OFFICE (Cont'd)

- **Provides Small Business Technical Advisory Support To The SBA-PCR.**
- **Serves As The Liaison With The Small Business Administration (SBA-PCR).**
- **SADBU Office Is**

NOT

SMALL BUSINESS LAWS & REGULATIONS



Public Law 106-50

13 CFR Part 121

FAR 19.1

FAR 19.5

Public Law 108-183 Section 308

FAR 6.203 & 6.204

FAR 19.8

Public Law 95-507

Small Business Investment Act Of 1958

Federal Acquisition Streamlining Act Of 199 (Public Law 103-355)

Public Law 99-661

Small Business Act Of 1953 & 1958

SMALL BUSINESS LAWS AND REGULATIONS
(Cont'd)

Public Law 85-536 / Small Business Act Of 1958

" It is the declared policy of the Congress that th
Government should aid, counsel, assist, and pr
insofar as is possible the interests of small bus
concerns in order to preserve free competitive
enterprise, to ensure that a fair proportion of t
total purchases and contracts for supplies and
for the Government be placed with small busin
enterprises, and to maintain and strengthen th
overall economy of the nation."

Section 201

Small Business Act C

SMALL BUSINESS LAWS AND REGULATIONS
(Cont'd)

Public Law 106-50 / Veterans Entrepreneur Act of 1999

- **Established a Government-wide goal of 3% for service-disabled veterans (applicable to both prime contracts and subcontracts).**
- **Requires separate subcontracting goals for veteran-owned small business (VOSB) and service-disabled VOSB.**
- **Mandates new reporting requirements:**

SMALL BUSINESS LAWS AND REGULATIONS (Cont'd)

Public Law 108-183, Section 308 / Veterans Benefit Act of 2003

- **Established procurement program for Small Business Concerns owned and controlled by service-disabled veterans.**
- **Permits restricted competition (set-asides) if there is reasonable expectation that two or more Serve-Disabled Veteran-Owned Small Businesses (SDVOSBs) would bid and award could be made at fair market price**

SMALL BUSINESS LAWS AND REGULATIONS (Cont'd)

Public Law 108-183, Section 308 / Veterans Benefit Act of 2003 (Cont'd)

- Permits sole source award when there is not a reasonable expectation that two or more SDVOSBs would bid and award could be made at fair market price up to $5M for manufacturing and up to $3M for all other types of contacting opportunities.
- SDVOSB set-aside not permitted if

SMALL BUSINESS LAWS AND REGULATIONS (Cont'd)

Public Law 103-355 / The Federal Acquisition Streamlining Act of 1994

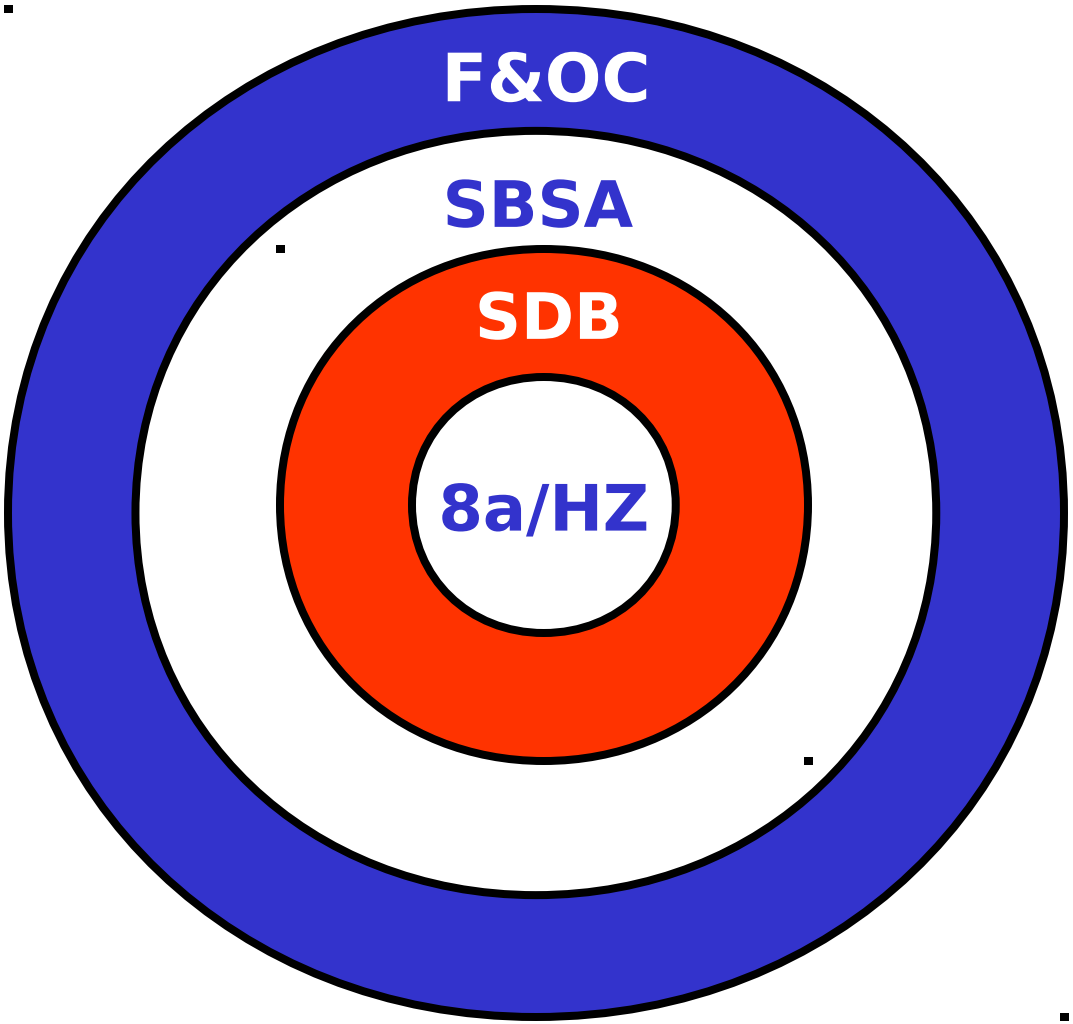
- **Established a Government-wide goal of 5% for women-owned small business.**

- **This goal applies to both prime contracts and subcontracts.**

SMALL BUSINESS PROGRAMS

- Small Business
- Small Disadvantaged Business / 8(a)
- HUBZone
- Women-Owned Small Business
- Historically Black Colleges & Universities / Minority Institutions
- Service-Disabled Veteran-Owned Small Business

SMALL BUSINESS PROGRAMS



Women-Owned/V
eteran-Owned/

SMALL BUSINESS PROGRAMS:
HUBZONE

What is a HUBZone small business?

A small business concern —

that is located in a historically underutilized business zone that is an area located within one or more qualified census tracts, qualified non-metropolitan counties, or lands within the external boundaries of an Indian reservation; appears on the List of Qualified HUBZone Small Business Concerns maintained by the Small

SMALL BUSINESS PROGRAMS:
SMALL DISADVANTAGED BUSINESS

What is a small disadvantaged business?

A small business concern—

- **that has received certification by the Small Business Administration as a small disadvantaged business concern consistent with 13 CFR 124, Subpart B; and**

SMALL BUSINESS PROGRAMS:
SMALL DISADVANTAGED BUSINESS (Cont'd)

What Is A Small Disadvantaged Business (Cont'd)?

i. No material change in disadvantaged ownership and control has occurred since its certification

ii. Where the concern is owned by one or more disadvantaged individuals, the net worth of each individual upon whom the certification is based does not exceed $750,000 after taking into account the applicable exclusions set forth at 13 CFR 124.104(c)(2); and

iii. It is identified, on the date of its representation, as a certified small disadvantaged business concern in the database

SMALL BUSINESS PROGRAMS:

SMALL DISADVANTAGED BUSINESS (Cont'd)

What is a small disadvantaged business (SDB) (cont'd)?

- **It has submitted a completed application to the Small Business Administration or a Private Certifier to be certified as a small disadvantaged business concern in accordance with 13 CFR 124, Subpart B, and a decision on that application is pending; or**

- **Historically Black College or University/Minority Institutions**

SMALL BUSINESS PROGRAMS:
WOMEN-OWNED SMALL BUSINESS

What is a women - owned small business (WOSB)?

A small business concern—

that is at least 51 percent owned by one or more women; or, in the case of any publicly owned business, at least 51 percent of the stock of that is owned by one or more women; and whose management and daily business operations are controlled by one or more women.

SMALL BUSINESS PROGRAMS:

SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESS

What is a service-disabled veteran-owned small business?

A small business concern—

that not less than 51% of which is owned by one or more service-disabled veterans or, in the case of any publicly owned business, not less than 51% of the stock of which is owned by one or more service-disabled veterans; and the management and daily business operations of which are controlled by one or more service-disabled veterans or, in the case of a veteran with permanent and severe disability, the

SMALL BUSINESS PROGRAMS:
VETERAN-OWNED SMALL BUSINESS

What is a veteran-owned small business?

A small business concern—

that not less than 51% of which is owned by one or more veterans (as defined at 38 U.S.C.101(2))or, in the case of any publicly owned business, not less than 51% of the stock of which is owned by one or more veterans; and the management and daily business operations of which are controlled by

SMALL BUSINESS PROGRAMS:

SMALL BUSINESS SET-ASIDES

19.502-2 -- Total Small Business Set-Asides.

(a) Except for those acquisitions set aside for very small business concerns (see subpart 19.9) each acquisition of supplies or services that has an anticipated dollar value exceeding $2,500, but not over $100,000, is automatically reserved exclusively for small business concerns and shall be set aside for small business unless the contracting officer determines there is not a reasonable expectation of obtaining offers from two or more responsible small business concerns that are competitive in terms of market prices,

SMALL BUSINESS PROGRAMS:

SMALL BUSINESS SET-ASIDES

(Cont'd)

Factors To Consider When Considering Small Business Set-Aside:

- **Bidders Mailing List**
- **Approved Sources**
- **Market Research**
- **History- Results Of Last Competition**
- **Production Problems For The Item Being Considered**
- **Complexity Of Requirement**
- **Sources Sought Synopsis**

SUBCONTRACTING PLAN DEFINITION

“Subcontract” means any agreement (other than one involving an employer-employee relationship) entered into by a Federal Government prime Contractor or subcontractor calling for supplies or services required for performance of the contract or subcontract.

WHEN IS A SUBCONTRACTING PLAN REQUIRED ?
(SEALED BIDDING)

In sealed bidding acquisitions, each invitation for bids to perform a contract or contract modification, that individually is expected to exceed $500,000 ($1,000,000 for construction) and that has subcontracting possibilities, shall require the bidder selected for award to submit a subcontracting plan. If the selected bidder fails to submit a plan within the time limit prescribed by the contracting officer, the bidder will be ineligible for

WHEN IS A SUBCONTRACTING PLAN REQUIRED ?
(NEGOTIATIONS)

In negotiated acquisitions, each solicitation of offers to perform a contract or contract modification, that individually is expected to exceed $500,000 ($1,000,000 for construction) and that has subcontracting possibilities, shall require the apparently successful offeror to submit an acceptable subcontracting plan.

FAR 19.702

WHEN IS A SUBCONTRACTING PLAN NOT REQUIRED ?

- From small business concerns.
- For personal services contracts.
- For contracts or contract modifications that will be performed entirely outside of any State, territory, or possession of the United States, the District of Columbia, and the Commonwealth of Puerto Rico; or
- For modifications to contracts within the general scope of the contract that do not contain the clause at 52.219-8, Utilization of

TYPES OF SUBCONTRACTING PLANS
(INDIVIDUAL PLAN)

"Individual plan" means a subcontracting plan that covers the entire contract period (including option periods), applies to a specific contract, and has goals that are based on the offeror's planned subcontracting in support of the specific contract, except that indirect costs incurred for common or joint purposes may be allocated

TYPES OF SUBCONTRACTING PLANS
(MASTER PLAN)

"Master plan" means a subcontracting plan that contains all the required elements of an individual contract plan, except goals, and may be incorporated into individual contract plans, provided the master plan has been approved. The "supplement" can be incorporated provided the master plan has been approved.

TYPES OF SUBCONTRACTING PLANS
(COMPREHENSIVE PLAN)

“Comprehensive” is the Test program that permits contractors selected for participation in the test program to use the comprehensive plans when performing any DoD contract or subcontract that requires a subcontracting plan. Incorporated by the contractors' cognizant contract administration activity

TYPES OF SUBCONTRACTING PLANS
(COMMERCIAL PLAN)

"Commercial plan" means a subcontracting plan that covers the offeror's fiscal year and that applies to the entire production of commercial items sold by either the entire company or a portion thereof (division, plant).

SUBCONTRACTING GOALS

- **Reference 15 U.S.C. 644(g)(1) Small Business Act.**
- **Goals for participation of small business concerns in procurement contracts.**
- **The President shall annually establish Gov’t-wide goals for for procurement contracts awarded to small, service-disabled veterans-owned, veteran-owned, small**

FEDBIZOPPS AND SUB-NET

- **As of January 1, 2002, FedBizOpps officially replaced the Commerce Business Daily (CBD).**

FedBizOpps web site is:
http://www.fedbizopps.gov

- **Contracting Officers must use FedBizOpps for contracts expected to exceed $25,000.**

- **FedBizOpps contains a hyperlink to SBA's SUB-Net for subcontracting opportunities. SUB-Net web site is:**

NORTH AMERICAN INDUSTRY CLASSIFICATION SYSTEM (NAICS)

- **Officially replaced the Standard Industrial Classification (SIC) Code system effective October 1, 2000.**

- **NAICS is a common system that will be used by the U. S., Canada, and Mexico.**

- **Further information is available on the following web site:**

http://www.census.gov/epcd/www/na

CONTRACT BUNDLING

<u>Definition</u>: Consolidating two or more requirements for supplies or services, previously provided or performed under separate smaller contracts, into a solicitation for a single contract that is likely to be unsuitable for award to a small business concern.

CONTRACT BUNDLING
(Cont'd)

- **Public Law 105-135 recognizes that Federal agencies have a right to consolidate contract requirements; however:**

- **Contracting Officers must structure contract requirements in a manner that will facilitate small business participation by avoiding "unnecessary and unjustified**

CONTRACT BUNDLING
(Cont'd)

Assessing The Effects Of Contract Bundling

Before proceeding with a 'bundled' procurement, the buying activity must conduct market research to determine if the proposed consolidation is necessary and justified. The benefits to the Government must be "measurably substantial." (FAR

CONTRACT BUNDLING
(Cont'd)

"Measurably Substantial" means:

- **<u>Ten percent</u> of the estimated contract value (including options) if the value is $75 million or less (FAR 7.107(b)(1))**

- **<u>Five percent</u> of the estimated**

CONTRACT BUNDLING
(Cont'd)

Evaluation Factors and Subfactors

For solicitations involving bundling that offer a significant opportunity for subcontracting, the contracting officer must include an evaluation factor indicating the offerors' past performance in meeting subcontracting goals on

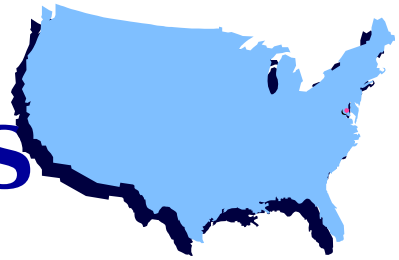
CONTRACT BUNDLING
(Cont'd)

Evaluation Factors and Subfactors (Cont'd)

In addition, for solicitations involving bundling that offer a significant opportunity for subcontracting, the contracting officer must include an evaluation factor for the proposed small business subcontracting participation.

SMALL BUSINESS STATISTICS

GOVERNMENT-WIDE PROCUREMENT GOALS



- **Small Business (SB) – 23%**
- **Small Disadvantaged Business (SDB) – 5%**
- **Women-Owned Small Business (WOSB) – 5%**
- **HUBZone Small Business – 3%**
- **Service-Disabled Veteran-Owned Small Business (SDVOSB) – 3%**

SMALL BUSINESS STATISTICS TRENDS

ATCOM

FY	Perf	Goal	MICOM Perf	Goal
1995	12.4%	8.3%	16.6%	11.9%
1996	14.9%	11.0%	17.0%	14.9%
1997	13.6%	12.9%	16.4%	16.5%

AMCOM

FY	Perf	Goal
1998	12.4%	14.6%
1999	11.7%	14.7%
2000	11.2%	13.5%

SMALL BUSINESS STATISTICS

3Q FY 04

AMCOM TARGETS	Target	Perf
Total Small Business ($877.6M)	12.9%	10.2%
Small Disadvantaged Businesses ($174.1M)	2.7%	2.0%
HUBZone	0.7%	0.1% ($12. 3M)
Women-Owned Small Business ($101.1M)	1.9%	1.2%
Service-Disabled Veteran-Owned ($.52M)	0.5%	0.006%

OMNIBUS 2000 SUPPORT SERVICES

SELECTIONS

LOGISTICS	PROGRAMMATIC	TECHNICAL
Full & Open: **ALS~JV** {CST/DCS/SPARTA}	***Full & Open:*** **MEVATEC**	***Full & Open:*** **NRC** **SAIC**
Sml Bsn: **AEPCO**	***Sml Bsn:*** **CAS** **SIGMATECH**	***Sml Bsn:*** **AMS~JV** {CAMBER/DYNETICS} **WESTAR**
8(a): **LESCO**	***8(a):*** **S3**	***8(a):*** **MORGAN**

=LB =SB =8(a)

OMNIBUS 2000 CURRENT STATUS

(as of 30 Jun 2004)

- ***375 Task Orders Awarded ~ $ 1,092,247,786***
  - ***64% $$$ Obligated = Sml or 8a Primes***
  - ***83% of T.O.s Awarded = Sml or 8a Primes***
  - ***Includes 3 Woman-Owned Sml Bsns (WOSB)***
    - ***10% $$$***
    - ***17% T.O.s***

OMNIBUS 2000 SUPPORT SERVICES

OMNIBUS 2000 SMALL BUSINESS STATISTICS

(as of 30 Jun 2004)

SIZE	# T.O.s	% T.O.s	$$$	% $$$
SB*	310	83%	$699,333,3 $ 392,914,4 $1,092,247, 786	64 %
Total:	375	100%		100%
SDB*	100	27 %	$ 194,471,20	18%
WOSB*	62	17 %	$ 110,771,505	10%

* **NOTE:** SB = SBs, SDBs, & 8a's
SDB = SDBs & 8a's
WOSB = SBs, SDBs, & 8a's

CHALLENGES

Increased Awards To Small Businesses And Small Business Manufacturers

- **HELP** PMs/Centers/Directorates accomplish their mission.
- Facilitate teaming between large and small businesses.
- Increase source approved small businesses for manufacturing.
- Help small business concerns – **HOPE** for the future.

TEAM REDSTONE

Where
Small Business
Is
BIG Business

Supporting Warfighters

Across the Entire Spectrum of Operations

AH-64 Apache

AH-64 Apache

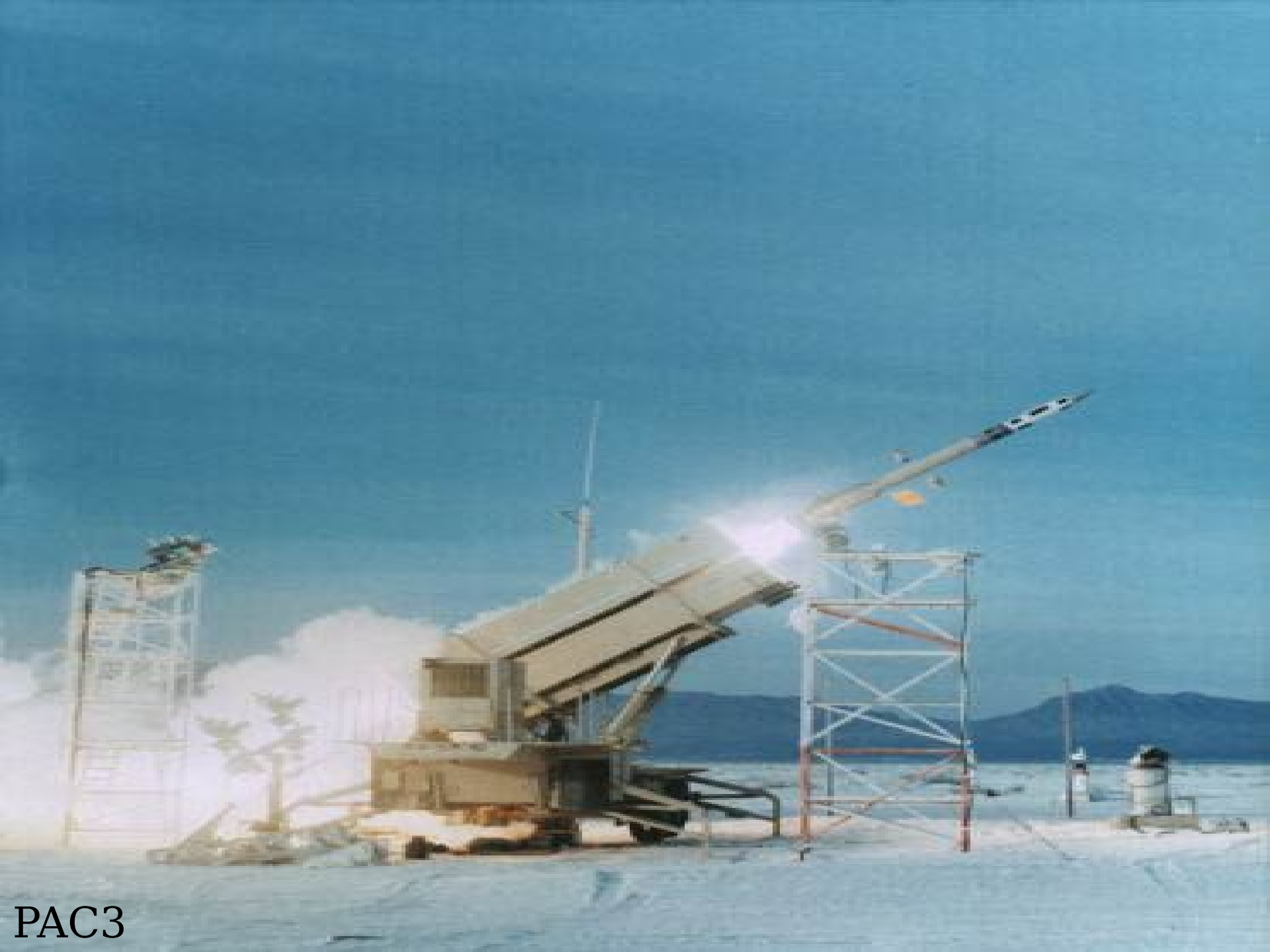
ATACMS- Army Tactical Missile

Avenger

UH-60 BLACKHAWK

UH-60 BLACKHAWK

PATRIOT


PAC3

CH-47 CHINOOK

CH-47 CHINOOK

Tube Launched, Optically Tracked, Wire Guided TOW

Theater High Altitude Air Defense system
THAAD

MLRS Multiple Launch Rocket System

MLRS

OH-58 Kiowa Warrior

Line-Of-Site (LOSAT)

UH-1 Huey

HELLF

HELLFIRE